### SENATOR TIM SKINNER



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The General Assembly concluded business this session two days ahead of the official deadline. I am happy to report that we were successful in providing funding for education and job creation, two of our highest priorities. I am also pleased that we produced a budget without raising taxes. The highlights of HEA 1001, the 2003-05 budget bill, are certainly the bold economic development package and the funding increases for public schools and our state universities. However, I have grave reservations about this budget, and remain concerned about the lack of new funding for Indiana's Medicaid program.

This was a most difficult budget to put together, and because of the projected \$800 million deficit, this budget borrows from some state funds and makes significant cuts in others. State governments across the nation are facing the worst fiscal crisis since World War II. Due to this crisis, nearly half of the fifty states have implemented or are considering mass teacher layoffs, increased class sizes, shorter school years, and four-day school weeks.

Here in Indiana, the new budget provides more than \$495 million for our schools, representing a statewide average increase in regular funding of 1.6% in 2004 and 1.7% for 2005. Including the new state remediation grant and transfers of state pension and local capital projects fund dollars, these increases are 3.3% and 2.9% respectively. However, these modest increases happened in part by flat lining prison and Medicaid funding.

It is the lack of adequate Medicaid funding that causes me great concern. By 2005, over 800,000 Hoosiers will depend on this critical safety-net program for health care, and flat lining the appropriation jeopardizes many vital services. Governor O'Bannon already implemented a successful cost containment plan that saved over \$250 million, and this plan will save taxpayers another \$350 million in the current biennium. Although I applaud these efforts, as we need to control our expenses during these difficult economic times, I am disappointed that the budget does this at the expense of those served by Medicaid.

It will take drastic reductions in payments to health care providers (most of whom are already under-compensated by Medicaid rates), further restrictions on eligibility, and cuts in optional programs like prescription drugs, to meet the spending levels called for in HEA 1001. I think such measures will go too far and turn back the progress we've made in health care coverage for our neediest citizens. Given that this program is an entitlement and the state <u>must</u> pay for services rendered, we may be forced to address budgetary matters again next session.

Please feel free to contact me if I can provide assistance with issues pertaining to state government. I hope you and your family have a safe and enjoyable summer!



## Looking to the future with economic development legislation

HEA 1001: 2003-2005 Budget Bill

Breakdown of \$22.9 Billion in State Spending

Property Tax

Reduction

Corrections (Prisons) General Government

Several key economic development measures passed this legislative session. Spearheaded by Governor O'Bannon's Energize Indiana plan, Democratic

Other Social Services 5%

**Higher Education** 

& Health

Medicaid

11%

and Republican caucuses worked together to improve the original plan and assembled the final package approved by the General Assembly. Many noteworthy programs and economic development tools will soon be implemented.

Long-term and comprehensive economic development plans are included in the plan to move

Indiana on the path to prosperity. Funding the 21<sup>st</sup> Century Fund and certified technology parks, extending the research and development tax credit, and implementing new tax credits for investment, biodiesel and ethanol production will encourage new jobs and investment in the high-tech sector. All jobs are high-tech in today's world, and these programs reflect this reality. From biomedical research to the local corner store



Senator Skinner was joined by his family for his first day in the Senate.

owner selling Hoosier goods across the globe via the internet, Indiana needs to encourage the continuous integration of technology into all business sectors.

Another key to economic revitalization is the immediate creation of jobs. Traditional infra-

structure improvements and construction projects included in the biennial budget support long-term Indiana business needs while creating jobs that can be realized today. For example, the budget authorizes the construction of university research facilities and community college buildings, serving the joint purpose of creating new jobs now and improving the facilities of

K-12 Education

36%

Teachers' Pensions

3%

Indiana's colleges and universities for the education and training of Hoosier workers.

While building for the future progress of Indiana, it is important to recognize that many Hoosier workers are looking for immediate relief. To help unemployed Hoosiers now, the General Assembly

allocated federal dollars to provide skill assessment tests for Hoosier workers, increase unemployment benefits, fund local WorkOne offices, and modernize

the state unemployment system to ensure that unemployment assistance reaches Hoosiers faster. Improving these services will help keep the unemployed on their feet and moving towards new opportunities.

Overall, economic development measures passed during the 2003 legislative session will go a long way to move Indiana's economy into the 21st Century while helping Hoosiers affected by the soft economy to find jobs and support their families.

# Is the state holding your unclaimed property?

According to state law, any property left unclaimed by the rightful owner is turned over to the State Attorney General's office. Everything from bonds and unpaid wages to estate proceeds have been turned over to the state. Check with the Attorney General's Unclaimed Property Division to see if you have property owed to you:

- ? Search the database at www.indianaunclaimed.com
- ? Call the Unclaimed Property Division at 1-866-IN-CLAIM

#### Skinner initiatives become law

I am pleased to report that many of the bills I authored or sponsored were approved during the 2003 General Assembly and have become law. A few of these initiatives include:

Senate Enrolled Act 203 provides for immunity from civil liability for a broadcaster that participates in the Amber Alert program. The program is named after Amber Hagerman, a 9-year-old girl from Arlington, Texas who was abducted by a stranger in her neighborhood in January 1996. Unfortunately, Amber did not survive the kidnapping; however, the abduction prompted unprecedented cooperation by the media. An Amber Alert lasts for 3 hours, and the participating media is obligated to broadcast everything that is released.

Indiana will become a member of the Interstate Compact for Adult Offender Supervision under **Senate Enrolled Act 205**. Forty-one other states have adopted the compact, including all states surrounding Indiana. The compact ensures that all member states adopt a similar process for the transfer of offenders across state lines.



Senator Skinner authored or sponsored fifteen successful bills in his first session of the General Assembly.

Senate Enrolled Act 417 establishes a property tax deduction for certain manufacturers. Those who qualify would purchase depreciable personal property used to manufacture recycled components composed of at least 15% coal combustion waste generated in Indiana. The act also establishes an income tax credit for manufacturers who manufacture recycled components consisting of at least 15% coal combustion waste generated in Indiana. It also specifies the uses of coal combustion waste that the Solid Waste Management Board may not regulate.

## Groundbreaking long-term care legislation gives patients new options for independence

Legislators this year approved groundbreaking legislation which will dramatically change the way tax dollars are spent on services for elderly and disabled Hoosiers. Senate Enrolled Act (SEA) 493 is designed to give individuals a range of services to choose from to best meet their changing needs.

This progressive legislation is expected to produce significant financial savings for Hoosier taxpayers because resources will be used more wisely. This is done through encouraging the use of alternatives to nursing homes, such as home-based services and assisted living facilities, which are typically less costly and allow for more patient independence.

The bill also contains provisions to support family care givers, many of whom care for their loved ones

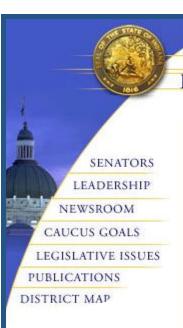
at home. All too often, care givers experience "burnout," prompting them to place their loved ones in a nursing home or some other institutional setting. SEA 493 establishes an assistance program to provide training, counseling, and support to family members who care for a loved one.

Ultimately, this legislation should save taxpayer dollars by enabling more Hoosiers to receive care in their homes instead of more expensive settings, such as nursing homes. Next to the budget, I believe that this is the most important bill approved this session.

The design of the legislation was a collaborative effort by legislators, home heath care agencies, senior citizen groups, Indiana's area agencies on aging (AAAs), and the nursing home industry.



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Visit my website at www.IN.gov/s38 for information about my participation in the State Senate and in our community. Available on the website are news releases about legislation that I supported and other important issues. You'll also find photographs and remarks that you can listen to about various legislative issues.

#### 2003 Legislative Actions

If you are interested in a particular piece of legislation from the 2003 General Assembly, you can download the bill and bill status history at www.IN.gov/legislative.

#### **State Government**

You can also access other state government agencies on line from www.IN.gov.